

June 1, 2017

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

RECEIVED

JUN 02 2017

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

**RE: Annual Progress Report
Project #14-006
Northwestern Lake Forest Hospital
Replacement Facility Construction Project**

Dear Ms. Avery:

This report summarizes the current status of the Replacement Facility Construction Project at Northwestern Lake Forest Hospital (NLFH). The project was approved by the HFSRB on June 3, 2014, in the amount of \$377,986,895.

The project was obligated on January 16, 2015.

On April 21, 2015, the HFSRB approved an alteration request to increase the total square footage to 499,605 BGSF and the total project cost to \$390,407,376.

On May 10, 2016, a second alteration request was approved that increased the total project cost to \$397,572,658.

Key Milestones

During the past year of the project (from 6/3/16 to date), key accomplishments include the following:

Construction Phase

- Site and Civil work is 99% complete with all major storm, sanitary, and water infrastructure.
- Road work and parking lots are 94% complete with main circulatory roads paved with final wear course, two of the three parking lots are substantially complete, and the final lot is graded.

- Four of the five landscaping phases are substantially complete around the peripheral of the project with the fifth underway near the building.
- The building envelope is 100% complete including all window and roof systems.
- Interior fit-out is progressing with framing, drywall and ceiling systems 99% complete along with paint, flooring, and millwork at 97% complete.
- Door slabs and hardware are installed with final keying and coring underway.
- Mechanical, electrical, and plumbing systems are complete and are being final commissioned throughout the building and are 92% complete.

Key Actions Needed to Be Completed

Action/Milestone	Target Completion Date
Construction Substantial Completion	June, 2017
Project Close-Out	December, 2018

Sources and Uses of Funds

Attached is a schedule of project expenditures through April 30, 2017. Approximately \$272,902,558 has been expended of the \$397,572,658 allocated for the project and has been entirely funded from cash and securities. This represents approximately 68.6% of the budget.

Contractual Commitments

NMH has executed contracts for this project. Current total project commitments are \$326,361,209.

If you have any questions, please feel free to contact me at (312) 926-8650.

Sincerely,



Bridget S. Orth
Director, Regulatory Planning

cc: Ron Powers, Director, Facility Planning and Construction
Jan Peterson, Finance Manager, Capital Budget and Projects
Tim Winneke, Project Accountant, Finance
Tim St. Clair, Project Manager, Facility Planning and Construction

**Northwestern Lake Forest Hospital - Replacement Facility
Construction - Project # 14-006**

ANNUAL COST REPORT

to the

Illinois Health Facilities and Services Review Board

Northwestern Lake Forest Hospital Permit Project Expenditures

Progress Report: June 3, 2017

<u>Category</u>	CON Execution Approved Budget	Project to Date (4/30/2017)
<u>USE OF FUNDS</u>		
2 SITE SURVEY AND SOIL INVESTIGATION	\$ 135,750	\$ -
3 SITE PREPARATION	\$ 11,020,000	\$ 3,361,092
4 OFF SITE WORK	\$ 20,290,892	\$ 17,710,932
5 NEW CONSTRUCTION CONTRACTS	\$ 200,125,127	\$ 217,106,732
7 CONTINGENCIES	\$ 19,295,985	\$ -
8 ARCHITECTURAL/ENGINEERING FEES	\$ 10,435,330	\$ 13,044,806
9 CONSULTING & OTHER FEES	\$ 14,571,364	\$ 4,297,527
10 MOVABLE CAPITAL EQUIPMENT (not in construction contracts)	\$ 64,467,025	\$ 5,148,293
11 BOND ISSUANCE EXPENSE (project related)	\$ 4,137,000	\$ -
12 NET INTEREST EXPENSE DURING CONSTRUCTION (project rela	\$ 15,180,000	\$ -
14 OTHER COSTS WHICH ARE TO BE CAPITALIZED	\$ 37,914,185	\$ 12,233,176
GRAND TOTAL	\$ 397,572,658	\$ 272,902,558
<u>SOURCE OF FUNDS</u>		
16 CASH & SECURITIES	\$ 50,709,658	\$ 245,041,491
18 GIFTS & BEQUESTS	\$ 75,000,000	\$ 27,861,067
19 BOND ISSUES (project related)	\$ 271,863,000	\$ -
25 TOTAL FUNDS	\$ 397,572,658	\$ 272,902,558
CON PERMIT AMOUNT	\$ 397,572,658	\$ 272,902,558
 % COMPLETE	 68.6%	